

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2017/2018

BAC4684 – ERP SYSTEMS

(All sections / Groups)

30th MAY 2018
9.00 a.m – 12.00 p.m
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of 4 pages (including cover page) with FOUR (4) questions only.
2. Attempt ALL questions.
3. All questions carry equal marks and the distribution of marks for each question is given.
4. Please write all your answers in the Answer Booklet provided.

QUESTION 1 (25 marks)

According to Christopher Cole, Chief Operating Officer at Pinnacle, the FoxMeyer mess was not a failure of automation. It was not a failure of commercial software per se. It was a management failure. Perhaps management had unrealistic expectations. Did management expect technology to be a "magic bullet"? In reality, it was the opposite. FoxMeyer was driven to bankruptcy in 1996, and the trustee of FoxMeyer announced in 1998 that he is suing SAP, the ERP vendor, as well as Andersen Consulting, its SAP integrator for \$5 million each.

Required:

- i) Discuss the factors that may have influenced the failure of ERP in FoxMeyer, with regards to the following two perspectives: a) planning and b) implementation (**THREE** factors for each perspective). (12 marks)
- ii) Discuss the a) social and b) organizational factors that could influence the success of ERP planning and implementation (**TWO** factors for each category). Provide some examples. (8 marks)
- iii) Differentiate between business functions and business processes with relevant examples. (5 marks)

QUESTION 2 (25 marks)

In a global complex environment, IT division of an enterprise, responsible for development, maintenance and implementation of all software/applications which are required to run the company business, have to align themselves to the growing business needs as well as keep them agile in order to address today's competitive market conditions. With increased IT usage, ERP has become the backbone of any large company. In addition to just being a user of ERP or an auditor of an ERP-enabled organization, a chartered accountant can also play a significant role in the implementation of the ERP package.

Required:

- i) Discuss **THREE** reasons for the need of an ERP system in an organization. (9 marks)
- ii) Identify **FOUR** hidden costs of implementing ERP systems. (8 marks)
- iii) Discuss **FOUR** benefits of implementing ERP systems. (8 marks)

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QUESTION 3 (25 marks)

ERP applications are most commonly deployed in a distributed and often widely dispersed manner. While the servers may be centralized, the clients are usually spread to multiple locations throughout the enterprise.

Generally there are three functional areas of responsibility that is distributed among the servers and the clients. First, there is the database component - the central repository for all of the data that is transferred to and from the clients. Then, of course, the clients - here raw data gets inputted, requests for information are submitted, and the data satisfying these requests is presented. Lastly, the application component that acts as the intermediary between the client and the database.

Required:

- i) In your opinion, why are infrastructure considerations so important when implementing an ERP system?
(5 marks)
- ii) What is a Service Oriented Architecture? How is this being used to implement ERP systems?
(8 marks)
- iii) Discuss Web-based Architecture and its impact on ERP systems.
(8 marks)
- iv) Identify **TWO** drawbacks of cloud computing.
(4 marks)

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QUESTION 4 (25 marks)

When you consider the time and money invested in managing an ERP throughout its entire life cycle, it's no wonder companies do everything they can to extend system longevity. ERP life cycles are intended to span 7-15 years or more. The steps in the life cycle process are complex. Typically, the chief information officer (CIO) must lead a process to select the right system, maintain and enhance the system to align processes with changing business goals, and evaluate the system's effectiveness. From birth to death of your ERP, there are a multitude of issues to keep in mind.

Required:

- i) Discuss the **FIVE** stages in ERP life cycle with relevant examples. (15 marks)
- ii) Identify **FOUR** roles of change management during ERP implementation. (10 marks)

END OF QUESTION PAPER

